$7.00
PER COPY

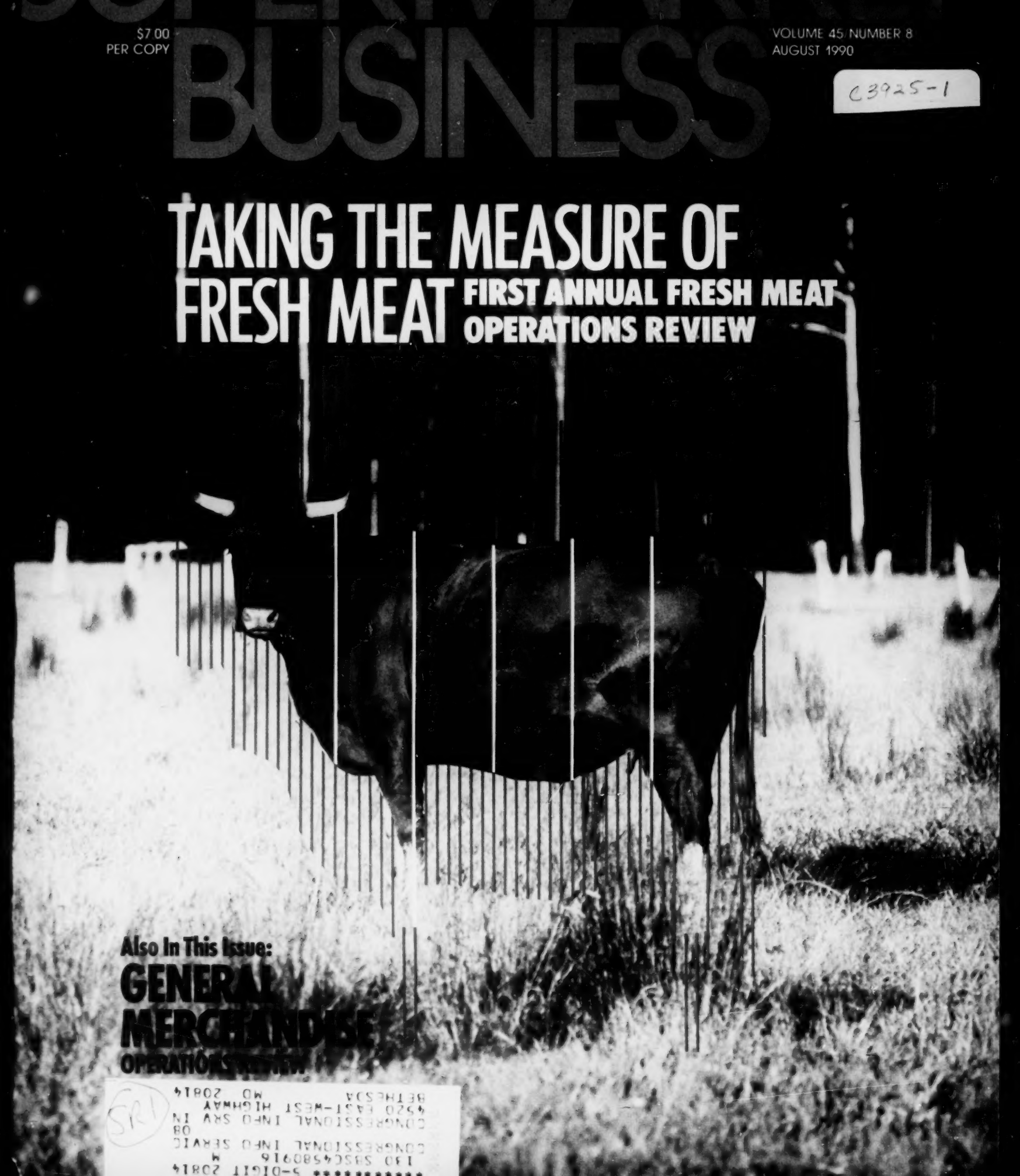
SUPERMARKET BUSINESS

VOLUME 45/NUMBER 8
AUGUST 1990

C3925-1

TAKING THE MEASURE OF FRESH MEAT

FIRST ANNUAL FRESH MEAT OPERATIONS REVIEW



Also In This Issue:

GENERAL MERCHANDISE OPERATIONS REVIEW

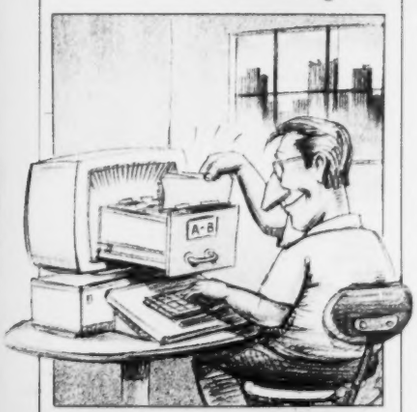
SR1
130 S85C4580916 M
CONGRESSIONAL INFO SERVIC
08
CONGRESSIONAL INFO SRV IN
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

SUPERMARKET BUSINESS

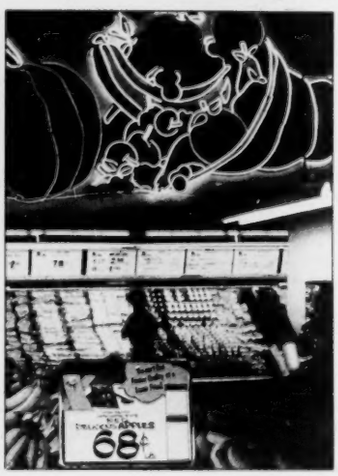
AUGUST 1990 VOLUME 45/NUMBER 8

FEATURES

Page 17



Page 13



Page 26

FIRST ANNUAL FRESH MEAT OPERATIONS REVIEW 17
KEN PARTCH, DAVID LITWAK AND JANET TORRES CEPEDA
SUPERMARKET BUSINESS zeros in on the fresh meat department to measure the state of the art, and to take a close look at department operating economics. With all the difficulties of fresh meat, it is still the largest weekly sales and profit producer.

XTRA EFFORT TO FIT INTO NEW NEIGHBORHOODS MIKE DUFF 26
As the chain expands out of South Florida, Xtra Super Food Centers is adapting operations to match the character of the communities it serves.

BREAD & CIRCUS: 'GREENER' THAN EVER HOWARD RIELL 35
The company's new Providence store—its first outside Massachusetts—has a slightly different look, but the same commitment to all-natural food for health-conscious consumers.

NONFOODS BUSINESS

GENERAL MERCHANDISE OPERATIONS REVIEW 45
DAVID LITWAK AND JANET TORRES CEPEDA
With sales at the $11 billion mark, GM continues to grow in overall importance in the supermarket. But individually, stores are moving in two different directions.

GM/HBA ISSUES FRANCIS E. WILLMES 53

SAMI UPDATE ALAN B. MILLER, JR. 57

INSTORE BUSINESS In Selected Editions Only

OPPOSITE PAGE 34

AT FELPAUSCH'S KITCHEN EXPRESS, FOOD SAFETY IS JOB ONE 1A
FRANK HAMMEL
A refrigerated prep area is just one of many steps Felpausch takes to keep prepared foods extra safe.

PREPARING FOOD ELAINE READER 9A

COLUMNS & DEPARTMENTS

EDITOR'S VIEW 5
WASHINGTON BRIEFS 7
TRADESCAN 9
TECHNOLOGY 13
PRODUCE 15
NEW PRODUCTS 56, 31A
ADVERTISER'S INDEX 61
AUGUST CONTEST 64
CHECKOUT 66

Cover Photo: John William Banagan/ The Image Bank

SAY IT AIN'T SO, BILL BISHOP

By Ken Partch, Editor-in-Chief

I was sipping an iced tea and swinging on the back veranda hammock last Saturday, when the thought suddenly struck me like a gentle hand on the shoulder. "Say," I exclaimed to the other members of the family, "what do you say we all go down to the Grand Union and look around? You know, let's do some impulse buying."

I had read someplace recently that most buying at the supermarket is done on impulse, which kind of upset me, since we tend to leave each other little notes under magnets on the refrigerator, such as: skim milk, or canned cat food, or mayonnaise. Which means that we're out, and whoever happens to be going to the supermarket or near it, please buy some. I always felt just slightly guilty about writing out grocery lists when I am always reading how most shoppers don't do this but just hang out at the market, so to speak, until something moves them.

I guess that's why I thought I'd get the family to try it, and see if it worked. Who knows, it might open up a whole new world of eating and using things we'd never dreamed of before. It might even be fun.

But the reaction I got was somewhat less than resounding applause. Jessica, the dexterous one, and number two daughter, reached for the croquet mallet she keeps around to swat flies with, and let go a tremendous crash to the picnic table. Marjorie, the reader, and number one daughter, yawned while lying supine on the wicker chaise, which is about the only way you can use the wicker chaise, while reading the OED along with the *Times* puzzle, and proclaimed: "Not so, Dad, you should try reading your mail. I just read the stuff on your desk that you brought home on Friday night."

This was not unusual for Marjorie. She tends to read the way other people might listen to background music. It keeps one part of her mind occupied. At four she read the backs of cereal boxes—out loud. All about how Bruce Jenner had just swum the Hellespont or something, and then climbed the Eiffel Tower

"Willard Bishop Consulting, Ltd., says people don't do as much impulse buying as you think," she continued, without looking away from the OED. "And he's got a new study out to prove it. In fact, and I quote: 'Consumers make more than 60 percent of all their purchase decisions before entering the supermarket. However,'" she added, "'decisions vary by category.'"

'Consumers make more than 60 percent of all their purchase decisions before entering the supermarket.'
—George Miller, Willard Bishop Consulting, Ltd.

I was flabbergasted. "You mean . . . ?"

"Yes, Dad," she replied, "the Point of Purchase Advertising Institute (POPAI) was wrong when it stated: 'Nearly 66 percent of all purchase decisions are made in the store.'"

"Good Lord!" I exclaimed again. "What's ActMedia going to do with all those instant coupon machines that deliver the coupons at the point of decision? Answer me that. Or let Bill Bishop answer me that. Point of decision, my clavicle! You're trying to tell me that the point of decision is not in the store, but right here on this veranda? I can't believe it. What about all those studies I've been reading about impulse buying all these years? What about the DuPont Study. Hah! That was scientifically proved by machines that watched your eyeballs move. What about that?"

Blam! The croquet mallet crashed onto the picnic table again, as Jessica nailed another fly. I leaped out of the hammock and cried, "Let's go! All of you. You too, Dorothy," I said to my wife.

"Where?" they all said as if one voice.

"To Grand Union." I replied. "We're going to settle this thing once and for all. We're going shopping, but we're not going to take any shopping lists. Just buy whatever sort of grabs you. Dorothy, you take dry grocery, and I'll take non-foods. Jessie, you take frozen foods, but remember your diet. Go easy on the ice cream. Marjorie, you're the vegetarian, so you get dairy. In one-half hour we'll meet at the checkouts and see what we've bought.

(One-half hour later)

"Jessie, It looks like you bought all the same stuff we always buy. What happened? Why didn't you let your impulses go?" I cried.

"I tried to," said Jessica, "but I didn't tell you that I had all these coupons for all the stuff we always buy, anyway. You know I clip all the coupons."

That's right," I said, "You do. What about you, Marjorie? It looks like you bought all the same dairy stuff we always buy, too."

"I couldn't help it. Jessica gave me all the coupons for dairy."

"Okay, Dorothy let's see what you've got. It looks like you bought all the same cat and dog food as always and all the same cereals. How come? Wait a minute, what's this? Smoked kippers? Since when do you buy smoked kippers?"

"Why, I don't know what came over me. I was standing near the canned fish section looking for your sardines when I swear I heard this voice. It said, 'Try me! Try me! I'm good! I'm good!' So I did. I had to."

"Let's get on line and watch the cable news. What the heck, we've already bought everything, anyway."

I didn't know whether the experiment was a success or a failure. Bill Bishop seemed to be right. But on the other hand . . . ■

SUPERMARKET BUSINESS

EDITOR-IN-CHIEF
Kenneth P. Partch

MANAGING EDITOR
Wayne Schmittberger

SENIOR EDITOR/RESEARCH
David Lihwak

SENIOR EDITOR
Mike Duff

EDITORIAL RESEARCH ASSOCIATE
Janet Torres Cepeda

EDITORIAL ASSISTANT
Susan Gibson

CONSULTING ART DIRECTOR
Joe Davis

ART ASSOCIATE
Manuel F. Vila, Jr.

CONTRIBUTING EDITORS
Frank Hammel
Howard Riell
Produce: **Barney H. McClure**
Food Prep: **Elaine Reader**
Technology: **Richard Shulman**
Store Planning: **David Rogers**
Washington: **John Baskin**
GMHBA: **Francis Willmes**
Management: **Jack Cohen**

PUBLISHER
Jeffrey A. Schaeffer

ASSOCIATE PUBLISHER
Carol Fenshott

CIRCULATION DIRECTOR
Frank Marino

PRODUCTION DIRECTOR
Gregg Weatherby

ASSOCIATE PRODUCTION MANAGER
Shona Fatta

RESEARCH DIRECTOR
David Lihwak

ADVERTISING SALES:

REGIONAL SALES MANAGER
Don Bocco

SALES DEVELOPMENT MANAGER
Janet Isenberg

ADVERTISING SERVICES DIRECTOR
Karen Kingsley

CHICAGO
VICE PRESIDENT, NATIONAL ACCOUNTS
Dave Wishard

REGIONAL SALES MANAGER
John Sonderegger
1821 Walden Office Sq.
Suite 333
Schaumburg, Ill. 60173
708-397-6700

WEST COAST
Sue Marritt
16133 Ventura Blvd., Suite 1270
Encino, Calif. 91436
818-783-5888

VICE PRESIDENTS
Carol Fenshott
Kenneth P. Partch

VICE PRESIDENT ADMINISTRATION
Catherine Cahill

CORPORATE OFFICERS FM BUSINESS PUBLICATIONS, INC.

CHAIRMAN
Robert Riordan

PRESIDENT & CEO
Paul McPherson

PRESIDENT MARKETING/SERVICE DIVISION
Jeffrey A. Schaeffer

SUPERMARKET BUSINESS Magazine (ISSN 0196-5700) is published monthly by FM Business Publications, Inc., 475 Park Avenue South, New York, N.Y. 10016. Telephone: 212-779-4391. Circulated free of charge to grocery retailers and wholesalers. U.S. subscriptions $53 per year. Canada $62 per year. Foreign subscriptions $73 (seamail), $233 (airmail), per year. Single copies $7 except Consumer Expenditures Study (September issue) $32 per copy. (Discount prices available on multiple purchases.)

Copyright © 1990 FM Business Publications, Inc. All rights reserved. Second class postage paid at New York, N.Y. and additional mailing offices.
All circulation inquiries to: SUPERMARKET BUSINESS, P.O. Box 175, Winchester, MA 01890.

BPA ABP

TAKING THE MEASURE OF FRESH MEAT

FIRST ANNUAL FRESH MEAT OPERATIONS REVIEW

SUPERMARKET BUSINESS, in an exclusive report, provides data on total department performance, and operating economics for advertised-price items as well as "shelf-priced" sales and profits.

Fresh meat department sales, including processed meats, but not including fresh fish and service deli, totaled $39.5 billion in 1989, with an increase in dollar sales of 1.6 percent.

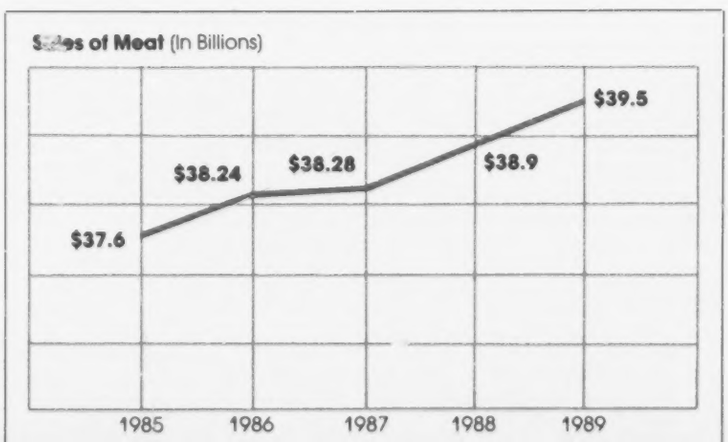
BY KEN PARTCH, DAVID LITWAK AND JANET TORRES CEPEDA

Although the U.S. is certainly no longer a simple meat-and-potatoes society today, fresh meat is still the second largest department in the supermarket as a percentage of total store sales. And while the department is beset with many inherent problems and outside pressures, it offers one of the last great opportunities to the supermarket to move out of the commodities business and into the business of modern marketing of this high-volume and potentially high-profit product category.

While fresh meat has always been one of the most reliable and most economical of foods in U.S. distribution, there is still much that can be done in terms of standardized quality, packaging, variety and value-added advantages for the consumer. It is the purpose of this study to identify the state of the art of supermarket fresh meat today, so that the changes that are occurring, and need to occur in future, will have a standard benchmark against which to make meaningful comparisons.

Average weekly sales of fresh and processed meat, not including fresh fish and service deli, reached a total of $39,537,083,000 in 1989, with average weekly sales of $24,767.00 in the nation's 30,700 supermarkets. This data is the result of an exclusive survey conducted by SUPERMARKET BUSINESS for the first time this year. It will become an ongoing study in order to monitor the changes taking place in one of the most important departments in the supermarket.

This represents an increase in fresh and processed meats of 1.6 percent over 1988, which is less than the rate of inflation, and which means that consumption of fresh meat sales are still declining overall. Specifically, according to the Department of Agriculture and the American Meat Institute, consumption of beef and veal declined slightly during the year (−5.5%), while prices rose (4.0%); consumption of lamb increased (7.4%), while price changes for lamb are unreported; consumption of pork increased slightly (0.2%), while prices were also up slightly (0.6%); poultry continued to show substantial



In dollar volume, supermarket meat sales have increased steadily the past five years, to $39.5 billion in 1989. This total does not include fresh fish or service deli.

SALES & PROFITS

In the nation's 30,700 supermarkets, meat sales come out to an average of $24,767 per store per week. Conventional stores sell an average of $18,202 a week, while larger stores sell an average of almost $35,000 a week.

Most supermarket companies (79%) report a slight increase in meat sales over last year. Only 9% saw their sales of meat decline in 1989.

Sales:

Number of Meat Departments:	**30,700**
100% of All Supermarkets	
Total Sales of Fresh & Cured Meat:*	**$39,537,083,000**

*Does not include Fish, or Products sold at the Service Deli.

Average Weekly Sales Per Store

Mean: **$24,767** Median: **$25,600**

By Type of Store:

Conventional	**$18,202**
Larger Store	**$34,928**

Meats Share of Total Store Sales

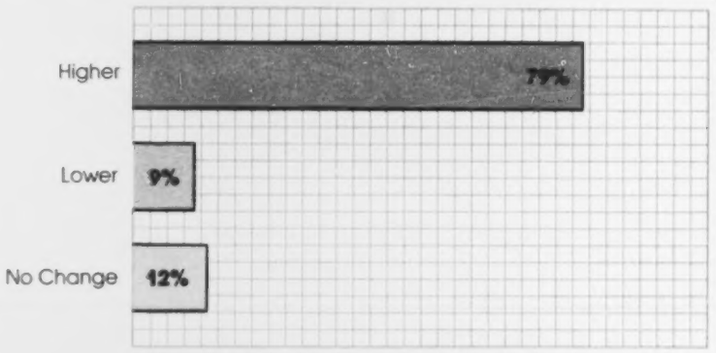
Mean **17.8%** Median: **16.9%**

Meats Contribution to Overall Store Profits

Mean **15.9%** Median: **15.3%**

Changes in Dollar Sales (1989 vs 1988)

(% of Companies Reporting)



Average Gross Margin

Mean: **21.3%**	Median: **22.4%**
Less than 18	**6%**
18-20	**25**
21-22	**29**
23-24	**23**
25-26	**10**
Over 26	**7**
Total	**100%**

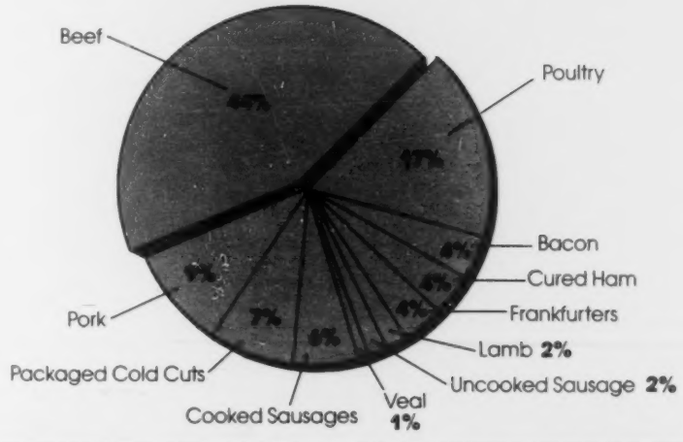
While meat accounts for nearly 19% of store sales, on average, it contributes less than 16% of the store's total profits. This ratio of sales to profits is low compared to many other special departments, and illustrates the commodity nature of current meat marketing.

PRODUCTS

The meat department is still dominated by beef, which accounts for 44% of total meat sales in supermarkets. Falling beef and veal sales were a good part of the reason that overall meat department salaes rose only 1.6% last year. (Beef was down 5.5% in per capita consumption, and only up 4.0% in price).

Meat departments are now selling more than just raw meat. Value-added products have crept into the meat case in a big way. Seventy-nine percent of supermarket companies report that their departments now sell some ready-to-cook entree items, and 46% offer packaged ready-to-eat meat dishes, while 27% also sell some side dish items.

Portioning Out Meat Sales



Dollar Sales of Fresh Meat

(Add 000)

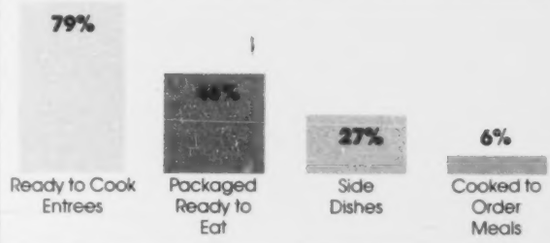
Beef	**$16,780,837**
Poultry	**7,297,592**
Pork	**3,300,751**
Lamb	**940,091**
Veal	**424,188**

Type of Beef Used

Boxed Beef	**92%**
Case Ready	**6**
Close Trimmed Boxed Beef	**1**
All Others	**1**
Total	**100%**

Standard Trim:	**¼ inch**
Stores with Smokehouses:	**4%**

Sales of Value-Added Meat Products



Sales of Special Items (% of Companies)

	Now Selling	Will Sell More in Future	Will Sell Less in Future
Certified Angus	**12%**	**6%**	**6%**
Natural Beef	**9**	**21**	**3**
Other Branded Cuts	**12**	**18**	**0**
"No Roll"	**33**	**3**	**12**

Total sales of fresh meat continue to increase, but largely because of price increases and inflation.

increases (10.5%), while prices rose (9.9%).

Weekly sales of meat include both conventional and larger supermarkets. Meat sales of larger stores (superstores and combo stores) averaged nearly $35,000 weekly, while meat sales in conventional supermarkets averaged $18,202 weekly, for a mean of $24,767.

Of the companies reporting in the survey, 79 percent reported higher dollar sales, while 9 percent reported lower dollar sales. Another 12 percent reported no change.

Companies reported a wide range of gross margin percentages—from less than 18 percent to over 26 percent. The average gross margin was 21.3 percent.

Although sales of beef and veal continue to decline as a percentage of total fresh meat dollar sales, together they still represent nearly three times the sales of poultry, and five times the sales of pork. The beef industry continues its efforts to move toward a market-driven product line, rather than a commodity-driven one, although the pace is often faltering.

Nevertheless, 79 percent of the companies reporting said

that they now offered ready-to-cook fresh meat entrees, while 46 percent offered packaged ready-to-eat meats. Other value-added meats that respondents mentioned were: 27 percent with prepared side dishes, and 6 percent offering cooked-to-order meals. Still, only some 12 percent said that their meat departments had trained chefs in some of their stores, while only 6 percent had chefs in all stores. The great majority, did not have trained chefs.

More interest in case-ready

While branded and case-ready meats still have little impact on fresh meat sal[illegible] there is growing interest [illegible] both on the part of retailers. According to the National Livestock and Meat Board, there are a number of retail tests underway, with growing consumer interest and acceptance of both case-ready and branded fresh meats.

The SUPERMARKET BUSINESS survey revealed that 12 percent of respondents are now selling Certified Angus beef, 9 percent are selling Natural beef and 12 percent other branded cuts. In the future, only 6 percent expected to sell more Angus, while 21 percent expected to sell more Natural, and 18 percent more branded cuts. No respondents said that they would sell fewer branded cuts. Thirty-three percent still sell "no roll" or ungraded beef, but only 3 percent expect to sell more in future, and 12 percent expected to sell less.

How fresh meat is merchandised to the customer is also expected to undergo considerable change in the future. Today, 69 percent of supermarkets responding said that they offered self-service meats only. Eighteen percent offered a combination of self-service and service, while only 13 percent offered service meats only.

In the future, 38 percent of respondents said they would offer more service meats, while only 21 percent reported that they would offer more self-service.

Store economics in the fresh meat department has long been a controversial area. It is suspected that part of the reason for the controversy has been in the methodology employed in calculating such variables as the cost of labor, the cost of advertising and the cost of shrink.

While the industry is now at work with several projects to establish standards that would

SPACE & LABOR

Meat departments continue to get larger. The average set-up occupies 2,376 sq. ft., including merchandising, prep and cooler space. Since the departments are large and use a lot of space off the selling floor, the average sales per sq. ft. are just $10.42 per week. There is a $4.33 per week difference in the sales per sq. ft. between conventional stores ($9.16) and larger stores ($13.49).

Despite the large size and high sales of the meat department, it takes an average of 6.1 full-time equivalent employees to run the section. This means that the average weekly sales per employee are over $4,000.

Much of the department's ability to keep labor costs down is due to the predominant use of boxed beef, which is used by 94% of all stores. The use of this type of beef has held labor costs down to 10.6% of sales.

Size of Department

Mean:	**2,376 sq. ft.**
Median:	**2,250 sq. ft.**

By Type of Store

Conventional:	**1,987 sq. ft.**
Larger Stores:	**2,589 sq. ft.**

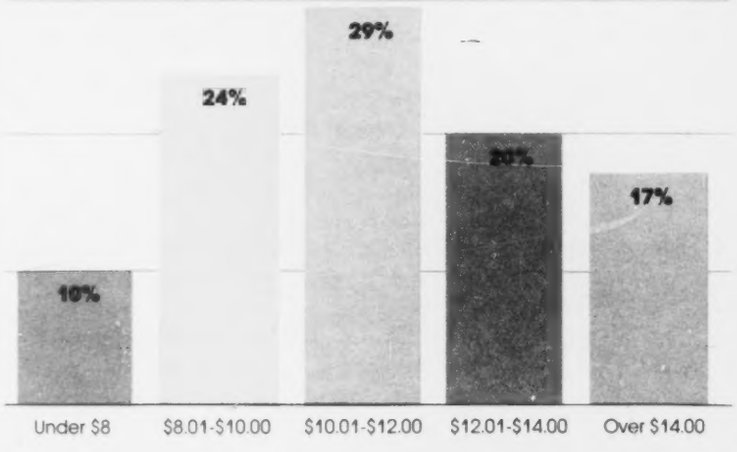
Average Weekly Sales Per Square Foot of Space

Mean: **$10.42** Median: **$10.25**

By Type of Store

Conventional Stores:	**$9.16**
Larger Stores:	**$13.49**

Average Weekly Sales Per Square Foot (% of Companies)



Number of Employees

Full-time	**4.8**
Part-Time	**2.6**
Full-Time Equivalent	**6.1**

Cost of Labor as a Percent of Meat Sales

Mean 10.6% Median **11.3%**

Cost of Labor

Under 8	**6%**
8-9.9	**26**
10-11.9	**31**
12-14.9	**27**
15 & Over	**10**
Total	**100%**

Meat Depts. With Trained Chefs

None	**82%**
In All Stores	**6**
In Some Stores	**12**
Total	**100%**

Average Weekly Sales Per Employee

Mean: **$4,060** Median: **$4,150**

Greater interest is shown in both ready-to-cook fresh meat entrees and ready-to-eat meats. Other value-added meats mentioned include prepared side dishes and cooked-to-order meals.

MERCHANDISING & PROMOTION

Sales of meat are still primarily self-service. Sixty-nine percent of stores sell meat through only self-service, with an additional 18% combining self-service and service. Just 13% of supermarkets have service-only meat sections. This trend may be shifting slightly in the future. Thirty-eight percent of the companies predict that their meat sales through service will increase, while 21% believe that they will be selling more meat through self-service in the years ahead.

Newspapers and radio are the two most popular means of promoting the meat department, although store circulars and point-of-purchase materials are also utilized by most supermarkets. As a means of promoting their meat departments, retailers are increasingly turning to instore promotions. The majority (82%) of companies have recipe cards in their stores, while 76% engage in sampling of their meat products, and 67% offer nutritional fact sheets concerning the various cuts to their meat customers. Cooking demonstrations and video programs also are catching on.

How Meat Is Sold (% of Stores)

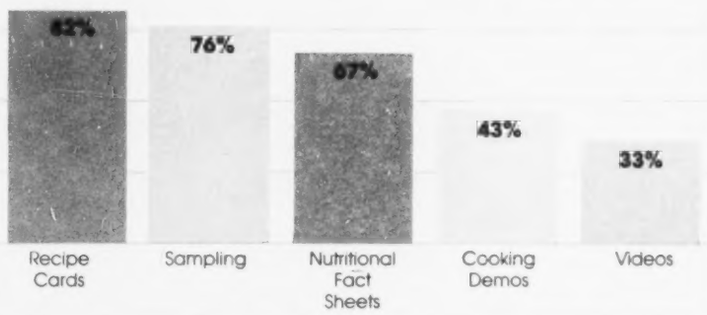
Self-Service Only	69%
Combination	18%
Service Dept. Only	13%

In Which Direction Will Your Stores Go in Future?

Towards More Service Meat	38%
Towards More Self-Service Meat	21
No Change	41
Total	100%

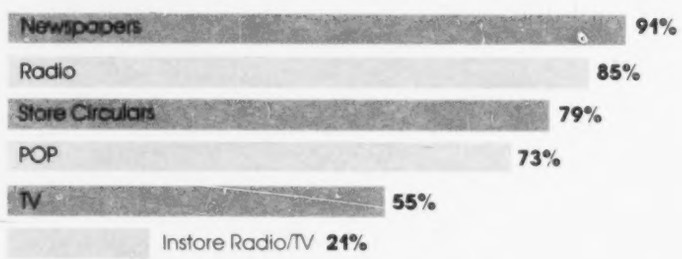
Use of Instore Promotions For Meat

(% of Companies)



How Meat Dept. Is Promoted

(% of Companies Using)



Fresh meat department performance, when viewed for both advertised and unadvertised item sales and profits, shows real problems.

Total Fresh Meat Department Performance

	Dollars	Percent of Total Store
Total Fresh Meat Dept. Sales*	$27,712	16.87%
Gross Profit	5,617	20.27
Cost of Product	22,331	80.58
Supplies (Cost)	236	0.85
Total Dept. Labor	2,225	8.03
Contribution to Dept. Profit	3,156	11.39
Performance of Advertised Fresh Meat		
Total Sales of Ad Related Items	$10,647	38.42%
Gross Profit	599	5.63
Supplies	105	0.99
Net Gross Profit	494	4.64
Labor Related to Ad Items	1,158	10.87
Contribution to Dept. Profit	(664)	(6.23)
Performance of Unadvertised Fresh Meat		
Total Sales Unadvertised Items	$17,065	61.58%
Gross Profit	5,018	29.11
Supplies	131	0.78
Net Gross Profit	4,887	28.63
Labor	1,067	6.25
Contribution to Dept. Profit	3,820	22.34

*Does not include processed or cured meats, fresh fish or service deli.
Source: Jack Cohen, industry consultant

Advertised fresh meat loses money, says Cohen, as always, but the gap is widening between ad price sales and "shelf" price sales. Profits cannot be restored by raising shelf prices still higher, since this only tends to increase shrink. The economics of the dept. needs to be rethought.

be acceptable to both packers and retailers, progress has been slow. The jointly developed Food Marketing Institute and Beef Industry Council DPP model has been available since 1988.

Efforts by the Council, with experiments being conducted at Texas A & M University to establish standards of fat trim and expected yield and cost, are expected to determine the best and most economical way to achieve close fat trim and yield at packer and store levels. At present there is some question about where and how much trim should be done to best suit consumer demands and industry-wide economics.

Economics need review

According to an independent analysis conducted for SUPERMARKET BUSINESS by Jack Cohen, an industry consultant, the difference between the percentage of fresh meat items offered at advertised sale prices and those offered at "shelf" or case prices is widening. Part of the reason for this is continued and greater rates of inflation. But part of the reason is also, he points out, that advertised sale items are producing greater and greater losses, which are being attempted to be made up by higher case prices for unadvertised items.

This doesn't really work, according to Cohen, because it becomes self-defeating. It worked well, years ago, when fresh meat was truly a perishable item, and the difference between ad and shelf prices were 10 percent and the difference in sales was perhaps 25 percent. Today, says Cohen, the difference between ad sales prices and shelf prices is more like 35 percent, and the difference between shelf sales and ad sales is more like 50 percent.

The problem, says Cohen, is that fresh red meat and poultry is no longer really a perishable product. With the advent of large freezers in every refrigerator, the consumer can take advantage of ad sales to load up and ignore the shelf items carrying "regular" prices. This in turn produces more real losses in ad sales, and greater and greater shrink costs for the total department. Shrink costs add still further to the changing economics of the department, and even greater losses in profits and contribution to overall store profits. Fresh meat department economics, says Cohen, need to be completely rethought. ■

NONFOODS BUSINESS
INSIGHTS FOR MANAGEMENT AND THE GM/HBA SPECIALIST

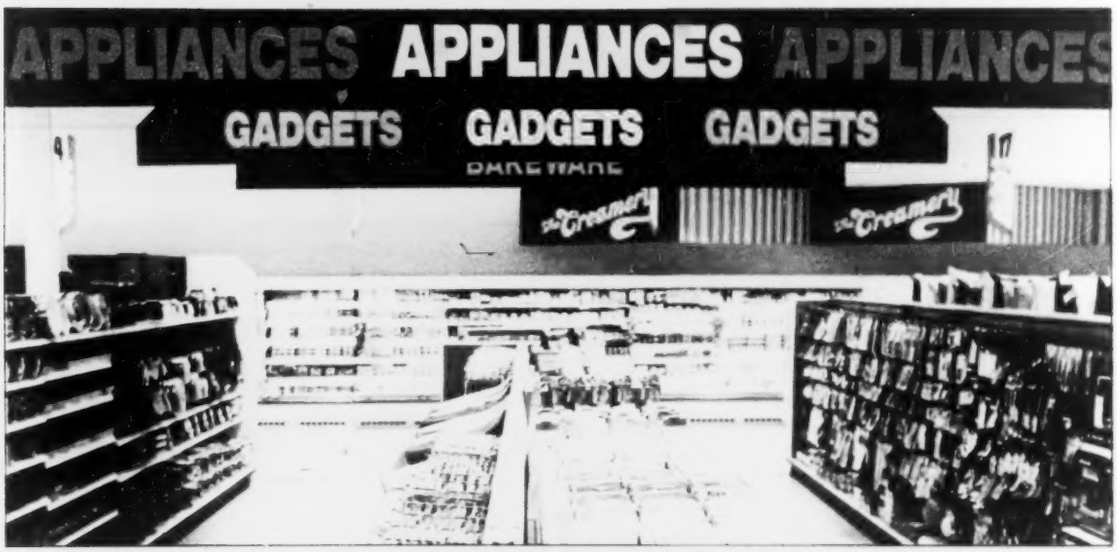


Photo: Matt Cohen

OPERATIONS REVIEW: GENERAL MERCHANDISE

BY DAVID LITWAK AND JANET TORRES CEPEDA

With sales at the $11 billion mark, GM continues to grow in importance in the supermarket. But in some stores, GM growth is limited.

Supermarket operators still don't seem to know what to make of general merchandise.

A few years ago, almost everyone was gung ho on almost any type of GM product. Now, some retailers are not quite so sure what direction they'll go in. While bigger always used to be better, GM section-wise, many operators are starting to rethink what kinds of GM products they'll carry, and how much variety to offer in each category.

General merchandise has always been a peculiar area of store operations. For some operators, the inclusion of all sorts of GM products in their stores is still the way to cash in on a growing market. But others have begun to scale down their departments, and tailor them more to what their experience has shown will sell.

In some cases, this means abandoning high-ticket items, such as electronics, or carrying fewer automotive supplies. The supermarket industry is heading in two different directions: less but more targeted GM for some stores, and larger full-scale departments in others.

Against this backdrop, SUPERMARKET BUSINESS presents this first in-depth survey of the GM operations of the nation's supermarkets.

General merchandise enjoyed a good year during 1989, with sales through supermarkets reaching the $11 billion plateau. This mark represented a sizable increase over 1988's $9.92 billion in sales. The rate of growth during 1989 was 11.1 percent, compared with a 2.5 percent growth level the year before.

Double-digit growth is certainly not new to the GM section. During 1987, GM sales grew a whopping 13.5 percent; and prior to 1986, double-digit GM sales increases were fairly common. The leaner growth years of 1986 and 1988 appear to have been adjustment periods, when the industry and consumers stepped back to look at where they would be going next.

The growth in GM sales during the last year seems to have been shared by most members of the supermarket industry. Over three-quarters (77 percent) of supermarket companies reported higher GM sales in their stores in 1989 than in 1988. Another 19 percent said sales remained at the same level for both years, while only 4 percent reported a drop in sales. The average increase in stores operating during both years was 7.2 percent.

The addition of new, larger stores helped to lift the overall sales increase of GM products to 11.1 percent. The large combination stores and hypermarkets have been the catalysts in the renewed interest in large GM departments. But whether these stores sell enough GM to justify

SALES & PROFITS

Sales of general merchandise through supermarkets continued to increase in 1989. For the first time, GM sales reached the $11 billion mark, a jump of over 11% from the 1988 mark of $9.9 billion.

Higher sales were reported by 77% of the supermarket companies operating, with an average increase per store of 7.2%. Sales in the GM sections of larger stores were almost three times higher than those in conventional supermarkets.

Because of the difference in GM sales between larger and conventional stores, there is also a difference in the percentage of total store sales that come from GM sales. In larger stores, GM accounts for 10.29% of total sales; while across the whole industry, the average percentage of store sales attributable to GM falls to 4.4%.

GM items carry relatively high gross margins (31.7%). These help the section contribute significantly—an average of 13.55%—to a store's total profit. The figure can reach 31.9% in larger stores.

General Merchandise Sections:	
Number of Stores that Sell General Merchandise	30,700
Percent of Supermarkets	100%

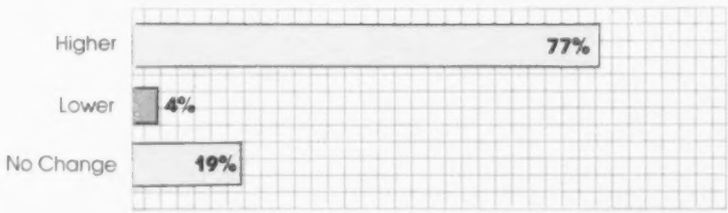
Average Weekly Sales	
Mean: $6,891	Median: $7,050
Conventional Stores	$4,392
Larger Stores	12,466

Average Weekly Sales	
Less than $5,000	10%
$5001-$6000	14
$6001-$6500	26
$6501-$7000	32
$7000 or More	18
Total	100%

Annual Sales (billions)

Changes in Dollar Sales (1988 vs 1989)

(Percent of Companies Reporting)



Average Increase **7.2%** Average Decrease **9.0%**

Share of Total Store Sales	
Overall Mean	4.4%
In Combination Stores	10.29%

Contribution to Total Store Profits	
Overall Mean	13.55%
In Combination Stores	31.9 %

Gross Margin	
Mean 31.7%	Median 30.8%
Less than 28%	16%
28-29	18
30-31	28
32-33	21
34 or More	17
Total	100%

their huge sizes is still a matter of much debate.

For every huge combination store or hypermarket, there are many smaller stores that sell a very limited number of GM products. While every supermarket in America carries some GM, for many the "department" contains only a few hundred SKU's, if that much.

When stores selling only light bulbs, film, batteries cils as GM are combined with the hypermarkets and all the formats in between, the average weekly GM sales come out to $6,891 per week. The range of average reported weekly sales is tremendous, stretching from a few hundred to a few hundred thousand dollars.

Looking at average weekly sales by type of store helps somewhat. In conventional supermarkets, average weekly sales are $4,392, with larger stores bringing in an average of $12,466 per week. Again, these are industry averages; the actual ranges of weekly sales are still very large within each of these segments.

Share of sales and profits

The wide range of GM sales in different supermarkets is illustrated by the varying percentages of store sales that GM represents. As an overall figure, GM accounts for an average of 4.4 percent of the sales of the total store. In larger combination stores, however, it averages 10.29 percent of store sales.

Gross margins of GM items also range all over the field, depending on the individual item. Overall, the average gross margin achieved by the GM department is 31.7 percent.

These high margins help make the GM section an extremely profitable one. On average, the GM department contributes about 13.6 percent of the total profits of the whole store.

Once again, the range of profits contributed by individual GM departments is wide. For instance, larger stores with fuller-scale departments contributed an average of 31.9 percent of total store profits.

Part of the reason that GM is so profitable is that it is relatively inexpensive to sell. For the most part, there are no extra energy costs involved with GM sales, as there would be for refrigeration of many perishable food items, or for preparation equipment that is used by many of the service departments.

In a sense, selling GM is a lot like selling a dry grocery product. In fact, some GM products, such as light bulbs and stick goods, are often classified as dry grocery nonfood products. And there's another cost factor that is even more favorable to GM: labor.

Labor is a very marginal cost in GM sales. On average, a supermarket employs only 2.1 full-time equivalent employees to handle its GM sections. This, of course, does not include any employees manning special sections, such as one-hour photo processing or shoe repair.

The number of employees in the section varies with the size of section, and the use of service merchandisers by the store. About 43 percent of the companies report that they do use service merchandisers in some of their units or for some of their GM lines. The use of service merchandisers aside, the average supermarket spends only about 5.4 percent of GM sales on labor for the department.

The small number of employees manning the GM department allows the average weekly sales per employee in the department to remain relatively high. On average, each GM employee is responsible for $2,223 in weekly sales. Nine percent of the companies report that their weekly sales

per GM employee are over $3,000, while 14 percent report that their employees average less than $1,500 a week.

Space: the final frontier

When it comes to GM, space truly is the final frontier. Space, as often as corporate merchandising philosophy, will mediate the extent to which a store ventures into GM.

More often than not, when a store is limited as to the amount of available space, it is GM that will be cut back. Management will forsake whole categories, rather than make proportionally equal reductions throughout the entire store. When all is said and done, GM is still superfluous to the main function of the supermarket.

But for many retailers, those "superfluous" sales are just too good to overlook. So the boundaries of space have been pushed further out as stores have gotten bigger and bigger to accommodate extra GM items, as well as an increased number of service departments.

Space for GM has expanded greatly in some stores, while the section has had little growth, or has even been shrinking, in others. The average space given to display GM products is 295 gondola feet, with additional products cross-merchandised or scattered throughout other parts of the store.

Conventional supermarkets have just 192 gondola feet of display space dedicated to GM. The space available to display GM in larger stores is significantly more. On average, these stores devote 949 gondola feet to GM.

The number of gondola feet reported above does not fully reflect the amount of space that stores devote to GM. Most stores scatter their GM, with small sections here and there. Cross-merchandising GM is the most popular display technique for many categories.

One-third of the companies responding said that they cross-merchandise their GM items throughout the store. An additional 47 percent indicated that they use a combination of approaches. They cross-merchandise some items, while maintaining a separate GM section for other categories of products. Only 20 percent keep most of their GM products together in a separate section.

Almost anything can be a GM product. Any product that can't be eaten, isn't a health or beauty aid, or a household supply—and even many of those that are—can be classified as GM. Therefore, virtually any new type of item that comes into the supermarket generally winds up as GM. In a sense, GM is a synonym for "miscellaneous."

A large combination store or a hypermarket selling apparel, toys, hardware, appliances, jewelry and miscellaneous items, can easily have as many SKUs of GM as food, household supplies and HBA items put together.

Tires, blue jeans, building blocks, building supplies, cameras, swimming pools, and canaries all wind up as general merchandise. The list is limited only by what kind of merchandise the operator is willing to take into his store—or into his parking lot, since some items don't always make it into the store, or don't fit into the store.

As a consequence of this abundance of product types, no group of items dominates the sales of the GM department the way beef dominates meat sales, or the way OTC remedies dominate HBA sales, or sliced meats dominate the deli. The GM department is really an amalgamation of many groups of lesser selling product.

The closest thing to a dominate force within the GM section is housewares. Housewares, itself something of a catchall category, has the largest share of the GM sales pie, but still only accounts for 17 percent of overall GM sales. Following close behind are sales of periodicals and books, which captured just 14 percent.

Sales of all other categories of GM products each account for less than 10 percent of departmental sales. Housewares are followed by apparel and photo supplies, each of which account for 8 percent of sales. Flashlights/batteries and greeting cards each account for just 5 percent of sales. All other categories are less than 5 percent each.

Given the all-inclusive nature of the GM department, it is by no means strange that the fifth largest portion of GM sales goes to the miscellaneous "Other" category. This is made up of sales of all those small item categories that by themselves are too insignificant on an industry-wide level to be listed individually.

Retailers report that the number of items that they feature in their GM sections has increased in the last year, and will likely continue to increase in the future. Fifty-six percent of the companies report that they increased the number of GM items they sold during the last year, while only 16 percent say their GM SKUs decreased. The number held steady for 28 percent.

Continued

SPACE AND LABOR

Space is a hard commodity to measure accurately within the GM department. In most cases, GM is not sold in a single area, but instead is spread throughout the store.

Even so, there is usually one concentration of GM items in any store. These may be products that are not easily cross-merchandised. This section averages 295 gondola feet overall, with conventional stores measuring only 192 gondola feet, while larger stores have sections averaging 949 gondola feet.

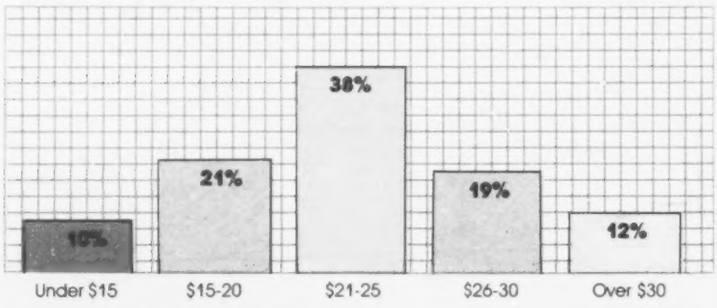
Labor is not a significant cost factor in selling GM products. With an average of just over two full-time equivalent employees per GM department, the section's labor costs are only 5.4% of sales.

In many cases, the use of service merchandisers helps keep the cost of labor to the store down. Forty-three percent of the companies report that they utilize service merchandisers in at least some of their stores.

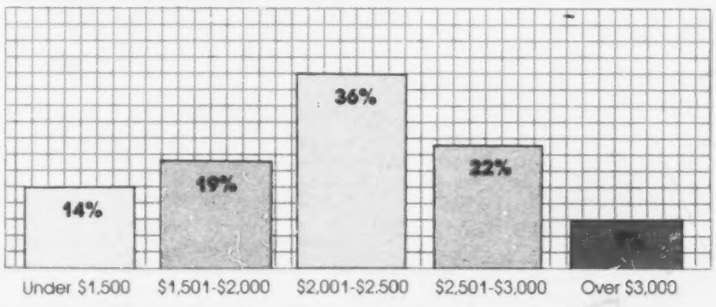
Size of Department	
Mean:	**295 gondola feet**
Median:	**375 gondola feet**

By Store Format	
Conventional	**192 gondola feet**
Larger Stores	**949 gondola feet**

Average Weekly Sales Per Gondola Foot Mean: **$23.36**



Average Weekly Sales Per Employee Mean: **$2,223**



How Much For Labor	
(Labor as a Percent of GM Sales)	
(Store Employees Only)	
Mean	**5.4%**
Median	**4.5%**
Percent of companies using service merchandisers in at least some of their units:	**43%**

Number of Employees	
Full-Time	**1.4**
Part-Time	**1.4**
Full-Time Equivalent	**2.1**

PRODUCTS

GM is an equal opportunity department as far as products are concerned. There are few products whose sales are large enough to dominate the sales of the department. The GM department is mostly made up of a large number of product categories that each have a small percentage of total GM sales.

Housewares is by far the largest product category in the GM section, but even housewares only account for 17% of GM sales. The second biggest seller is periodicals and books, which bring in just 14% of GM sales. Every other category accounts for 8% of sales or less.

The number of items in the GM section continues to grow. Last year, 56% of the stores added GM items, while only 16% decreased the number of GM items they sold. In the future, 73% say that they will likely be increasing the number of GM items on their shelves.

Videos, both rentals and sales, were the hottest GM items last year, and are predicted to be among the hottest movers in 1990.

Greeting cards, pet accessories, blank video tapes, film and batteries are also on the rise, indicating the continued sales growth of the traditional supermarket GM categories.

Portioning Out GM Sales

Housewares	17%
Periodicals & Books	14
Apparel	8
Photo Supplies	8
Flashlights & Batteries	5
Greeting Cards	5
Pet Accessories	4
Auto Supplies	4
Light Bulbs	3
Notions	3
Electrical Supplies & Hardware	3
Photo Processing	3
Video Cassette Rentals	3
Electric Appliances	3
Barbecue Supplies	3
Toys	3
Stationery/Office Supplies	2
Music Recordings	2
Blank Video Cassettes	1
Other	6

Number of GM Items Carried

In Past Year		In Future	
Increased	56%	Will Increase	73%
Decreased	16%	Will Decrease	6%
Stayed the Same	28%	Stay the Same	21%

GM Items Most Frequently Added Or Given Increased Space

—Video Cassette Rentals & Sales
—Greeting Cards
—Pet Accessories

GM Items Most Frequently Dropped Or Given Less Space

—Auto Supplies/Accessories
—Glassware
—Soft Goods

Hottest GM Categories in 1990

—Video Rental & Sales
—Blank Video Tapes
—Rubberware Products
—Film
—Batteries

MERCHANDISING & PROMOTION

Spreading GM products throughout the entire store is the most popular way to merchandise these products. A third of the companies responding said that they cross-merchandise their GM sections with the rest of the store's products. Forty-seven percent both cross-merchandise and have a separate GM section.

Service counters for GM are not very popular in supermarkets—only 6% of stores have them.

Store circulars and newspapers are the primary ways to advertise GM sections in supermarkets. Interestingly, operators are more inclined to use television to promote their GM sections than many of their other store departments.

How GM Is Merchandised (Companies)

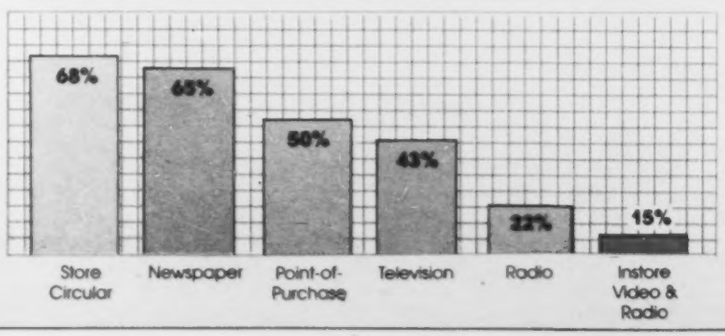
As Separate Section	20%
Cross-Merchandised Throughout the Store	33%
Combination of the Above	47%

Stores With Service Counters For GM 6%

What is Sold at Service Counters:

—Calculators
—Cameras, Film
—Electronics
—Jewelry
—Video
—Watches

Advertising and Promotion (Percent Using)



The future looks bright for GM items hoping to get a spot on the supermarket shelves. Seventy-three percent of the companies predict that they will increase the number of GM items that they are offering.

Among those items that have been most frequently increased in the past year, video, greeting cards and pet accessories lead the pack. Auto supplies, glassware and soft goods weren't as lucky, and were the three most-often-cut-back categories in the GM department.

Not only were videos (which include both sales and rentals of prerecorded tapes) the most often increased category last year, they were also rated the hottest GM category of 1990. Also rated as being "hot" was the allied category of blank video tapes.

Other "hot" categories include rubberware, film and batteries. It is interesting that the categories that increased the most in space last year, and that are "hot" this year, are categories that have always been important to GM sales. There are no "hot" new categories among the hordes of unknown products fighting to get onto the GM shelves.

Growth in the department will likely come from expansion of existing categories rather than from inclusions of new categories of products. In other words, for GM sales in supermarkets to grow, retailers are banking on their ability to pull further sales in their major GM categories away from other types of outlets.

Aggressive promotions

In order to achieve this type of growth, operators will have to promote their GM sections more aggressively. Currently, most retailers are using fairly standard means to advertise their GM products.

Store circulars are still the most popular form of GM promotion, with 68 percent of the companies using them. Newspapers are a close second, as 65 percent advertise their GM products in them.

Since GM has always been considered to be largely an impulse item in supermarkets, it is not surprising that 50 percent of the stores use point-of-purchase materials to promote GM sales. It may be more surprising that the other 50 percent don't.

Of the broadcast media, tele-

Continued on page 63

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO 4 WEEKS ENDING 3/23/90	4 WEEKS ENDING 4/20/90	4 WEEKS ENDING 5/18/90
BABY NEEDS	**- 2.8%**	**- 6.7%**	**- 5.3%**
Baby Powders	+ 0.2	-21.8	- 6.8
Baby Oils, Creams & Lotions	- 8.3	-10.5	-10.0
Infant Clothes	- 6.2	- 2.2	- 5.5
Nursing Supplies	+ 2.8	- 1.6	+ 0.6
MISC. PERSONAL NEEDS	**+ 9.3%**	**+ 6.1%**	**+15.9%**
Contraceptives	+14.4	+ 6.3	+14.7
Personal Lubricants	+16.7	+13.1	+22.0
Home Testing Kits	+15.9	+ 9.2	+21.5
Thermometers	-16.1	- 4.4	+ 8.2
DEODORANTS	**- 1.1%**	**- 0.9%**	**+ 5.0%**
Sprays	-10.2	-13.6	-11.1
Roll-Ons	- 9.0	- 3.4	+ 3.8
Stick Deodorants & Pads	+ 4.1	+ 8.9	+12.6
Creams	- 3.8	- 7.4	- 4.6
Deodorants & Talcum Powders	- 3.1	-10.9	-16.6
Feminine Hygiene Deodorants	+ 3.2	- 5.1	+10.9
Foot Deodorants & Athlete's Foot Remedies	+ 7.5	- 0.6	+ 5.5
Feminine Douches	+ 5.8	- 6.4	+12.8
FIRST AID	**+ 3.8%**	**- 0.6%**	**- 4.4%**
Antiseptics	+ 6.2	+ 6.1	- 0.6
First Aid Products	+ 2.5	- 3.4	- 6.4
Elastic Goods & Dressings	+91.6	+88.4	+83.0
HAIR CARE NEEDS	**+ 1.9%**	**- 4.8%**	**+ 0.6%**
Shampoos	+ 0.5	- 7.2	- 1.1
Hair Sprays	+ 2.0	- 4.6	- 1.0
Hair Conditioning Rinses	+ 4.5	- 2.5	+ 5.4
Hair Setting Needs	+ 7.0	+ 3.3	+10.7
Home Permanent Kits	-10.5	- 9.9	- 3.8
Hair Coloring	+ 3.0	+ 1.9	+ 0.5
Hair Dressing Needs	- 3.9	-11.9	-10.5
ORAL HYGIENE	**- 1.2%**	**- 1.8%**	**+ 1.4%**
Toothpastes & Powders	- 2.8	- 1.5	+ 1.3
Mouthwashes	- 7.9	- 8.6	- 5.5
Breath Fresheners	+ 6.0	+ 3.5	+ 5.1
Denture Cleaners	+ 3.5	+ 2.6	- 0.3
Denture Adhesives	+ 1.0	- 1.1	+ 1.5
Toothbrushes	+11.8	+ 4.5	+11.5
Dental Aids	+11.4	+ 5.0	+ 9.8
PROPRIETARY REMEDIES	**- 3.9%**	**- 0.7%**	**+ 0.4%**
Antacids	+ 2.2	+ 0.6	+ 1.9
Internal Analgesics	- 6.1	- 7.6	- 2.4
External Analgesics	+19.1	+25.8	+18.8
Cold Remedies	- 6.6	+ 3.5	+ 2.5
Nasal Sprays/Drops/Inhalers	- 2.4	+ 1.0	+ 0.4
Chest Rubs	-17.8	+ 1.4	- 0.6
Cough Remedies	-12.7	+ 5.8	- 0.5
Laxatives	- 2.2	- 0.8	+ 0.6
Sleeping Aids	+ 3.4	+ 5.9	+ 2.8
Tranquilizers	-19.4	-16.2	-14.4
Eye Care Products	+ 2.4	- 3.8	+ 1.4
Appetite Suppressants	-14.9	-19.3	-25.6
Synthetic Vitamins	+ 5.1	+ 1.2	+ 9.4
Natural Vitamins	+ 7.3	+ 3.8	+ 4.4
Misc. Proprietary Remedies	+ 1.3	+ 5.0	- 0.4
SHAVING NEEDS	**- 1.0%**	**- 4.8%**	**- 1.7%**
Shaving Creams	+ 7.1	- 5.4	- 2.2
Pre-Shave Lotions	- 1.9	- 9.0	- 9.9
After-Shave Lotions	- 3.4	+ 0.2	+ 5.6
Razor Blades	- 0.3	- 4.4	+ 8.1
SKIN CARE AIDS	**- 1.1%**	**- 6.3%**	**- 2.8%**
Hand & Body Creams & Lotions	-17.9	-11.1	- 3.7
Facial Preparations	- 9.5	-11.1	- 9.2
Lip Care Products	- 8.2	- 2.1	- 7.5
Suntan Lotions & Oils	+13.8	+ 1.4	+ 6.9
Cosmetic & Medicated Skin Aids	- 0.9	- 2.8	+ 2.5
TOTAL ALL CATEGORIES	**- 1.1%**	**- 2.6%**	**- 0.3%**

HBA MOVEMENT UP FOLLOWING THREE MONTHLY DECLINES

Food stores register unit gains in six of nine product groups in the April-May reporting period.

BY ALAN B. MILLER JR.

During the four weeks ending May 18, 1990, the trend in food store unit sales was healthier for health and beauty aids than for any other product department. For the first time since the 28-day interval ending January 26, 1990, sales among 57 HBA categories combined were ahead of their level in the corresponding year-ago period. The overall increase was 0.8%.

The only other SAMI-defined product department that had a gain was dry grocery non-food products (0.1%).

There was a four-week poundage gain of 1.0% for shelf-stable foods, compared with a 1.9% decline on a unit measurement basis. A poundage loss of 0.5% was recorded by frozen foods, and a loss rate of 2.1% for refrigerated foods.

In dollars, the 4.7% increase for HBA was second to the 8.1% for refrigerated foods, where a change in the product mix to more expensive items has resulted in better performance trend in dollars than in either pounds or units. The four-week dollar gain for HBA translates to increased sales of $30.5 million, and the 4.7% dollar gain compares favorably with the 3.7% increase for 52 weeks, or 3.0% for the 12-week period ending May 18, 1990.

Drugstores decline

The four-week HBA unit gain was not duplicated in drugstores. Nationally, drugstores had a loss rate of 2.8%, a worse performance than the 2.4% loss for 12 weeks.

Among the nine HBA product groups tracked by Arbitron/SAMI for the four-week period, there were six with increased movement in food stores, ranging from a gain of 15.9% for miscellaneous personal needs to an increase of just 0.4% for the high-volume proprietary remedies product group. The three product groups with loss rates were baby needs (-5.3%), first aid (-4.4%) and skin care aids (-2.8%).

Thirty-two categories enjoyed four-week unit volume gains, while 25 suffered losses. The highest gain rates were + 22.0% for personal lubricants and + 21.5% for home testing kits. These increases, however, may be the result of more food stores handling the items, rather than a dramatic increase in demand.

The highest four-week category loss rate was -25.6% for appetite suppressants, which have given up sales to measured diet meals (Slim Fast and Ultra Slim Fast, in particular) among shelf-stable foods. Other double-digit losses were -16.6% for deodorant and talcum powders, -14.4% for proprietary tranquilizers, -11.1% for spray deodorants, -10.5% for hair dressing needs and -10.0% for baby oils, creams and lotions.

Only one category of HBA baby needs made it to the plus column: nursing supplies (0.6%), which was helped by the national rollout of Cherubs. Nuk and Evenflo are also managing gains. There were unit volume declines for baby powders, baby oils, creams and lotions and infant clothes in all three time frames (the four-, 12-and 52-week periods).

All four categories in the strongest product group, miscellaneous personal needs, improved during the four weeks ending May 18, topped by the aforementioned personal lubricants and home testing kits, and followed by gains of 14.7% for contraceptives and 8.2% for clinical thermometers.

Among the eight categories of personal deodorants and antiperspirants, gainers led losers in a 5-to-3 ratio, with significant trend improvements registered by feminine douches/washes/powder (+12.8%), stick deodorants and pads (+12.6%), and feminine hygiene deodorants (+10.9%). *Continued*

ADVERTISER INDEX

SUPERMARKET BUSINESS

ADVERTISER	PAGE
ALASKA SEAFOOD MARKETING INSTITUTE	10
AMANO	63
AMERICAN IRON & STEEL	29, 30-31
ANHEUSER-BUSCH	Cov.2
BAMA PIE LTD	44
*BELL ATLANTIC	60
BORDEN	4
CARNATION PASTA & CHEESE	18
CAROL WRIGHT DONNELLEY	32
CONAGRA	38-39
CONWOOD	14
CRYOVAC	22-23
CRYSTAL TIPS	56
DEL MONTE	6, 20
DISPLAYMOR	59
*FOSTER FARMS	60
GARB-EL PRODUCTS	62
GENERAL MILLS	8, 37
GLADSON	61
GTE PUBLIC COMMUNICATIONS	41
LA LEAF INC.	24
LORILLARD	34
NIELSEN CLEARING HOUSE	42-43
PHILIP MORRIS	Cov.4
TOLEDO SCALE	12
VAN DEN BERGH	16
WESTERN MARKETING	63
WISCONSIN MILK MARKETING BOARD	Cov.3

*Regional

NONFOODS BUSINESS

ADVERTISER	PAGE
AMBASSADOR	54-55
CLIP STRIP	58
EASTMAN KODAK	51
FUJI	46-47
QUALEX	52
SWING-A-WAY	58

INSTORE BUSINESS

ADVERTISER	PAGE
AGA CHESTER FRIED	3A
CHEF FRANCISCO	12A
COLUMBUS SHOW CASE	8A
OCEAN GARDEN PROD	4A
PERDUE FARMS	6A-7A
REYNOLDS METAL CO.	11A

This index is provided as a service. The publisher is not responsible for errors or omissions because of late changes in layout and folio.

GM OPERATIONS REVIEW

Continued from page 50

vision gets the lion's share of GM advertising. Forty-three percent of the companies report using some television time to promote GM. Only 22 percent utilize radio as a means of promoting GM sales.

GM continues to increase in overall sales and importance to the supermarket industry. Many retailers are still clinging to the concept of one-stop shopping as a way of increasing consumer traffic, and the time the shopper spends in the store.

Whether or not the shoppers really want to spend this extra time in the supermarket is as debatable as whether or not consumers will seriously buy clothing, electronics, appliances, or do-it-yourself items at the same time as doing the weekly grocery shopping. In any case, carrying GM continues to be a way for the operator to pull customers away from both supermarket and non-supermarket competitors.

Just as foodservice specialty departments provided the supermarketer with a means of fighting for the prepared food dollar, GM provides him with a means to fight for a share of that part of the consumer's disposable income that does not go into food. It will be interesting to continue to watch just how the industry handles the inroad that GM has given it. Will supermarkets ignore it, or will they take further advantage of the opportunity?

Spend less time on paperwork, more time managing your store. Amano's easy-to-use computerized time and attendance recorder tracks and totals hours, separates regular hours from overtime; prints hours-worked and running totals on the cards.

- Ends manual calculations—saves time, prevents errors
- Ensures consistent pay policies; limits employee/supervisor disputes
- Shows who's approaching overtime for cost-effective scheduling

Pays for itself—write or call for proof.

AMANO ELECTRONICS
OF AMERICA, INC.
80 Little Falls Road, Fairfield, NJ 07004 • 1-800-84-AMANO

Let Western Give You A Hand With Your Promotions

Western's marketing teams give you extra hands for your local, regional or national special projects and promotions. They're friendly, personable and effective. Call us for market researchers, sales people, convention aides, pollsters, telephone solicitors, coupon distributors, Santas, and more. We also handle light industrial assignments for inventory crews, bottlers, inspectors and packers. And Western takes care of recruiting, bookkeeping, payrolling, bonding and insurance.

Call your local Western Office, or call Jenny Zink, V.P. Marketing at, 1-800-USA-TEMP (in CA, 1-800-FOR-TEMP).

Western Marketing Services is a Division of Western Temporary Services,
P.O. Box 9280, Walnut Creek, CA 94598-9280, EOE-M/F/H

Western
MARKETING SERVICES